

- ☐ Owner
- ☐ Accountant/Bkkr.
- ☐ Business Associate
- ☐ HRM Manager
- ☐ Office Manager
- ☐ Other _____

Governor to Propose Legislation to Stop Tax Increase

Governor Gary Locke has directed the Employment Security Department to prepare a legislative proposal to prevent the automatic increase in unemployment insurance taxes paid by employers. The Governor's objective is to hold unemployment insurance (UI) taxes at current levels and then institute reforms that lower them.

When viewed against the state's current brisk economy, an upward adjustment in UI taxes is controversial. Since the increase became probable last summer, the Governor repeatedly has said he opposed any increase and, in fact, would like to see the taxes reduced. Without legislative action, Washington employers' taxes will rise due to both increases in the amount of individual workers' wages subject to the tax and a shift to Schedule "B" which assigns higher average tax rates.

Under Washington law, unemployment insurance taxes are adjusted each year to reflect employment in the state as well as the capacity of the UI Trust Fund to weather recessions. As average wages increase, so does the amount of individual earning subject to UI taxes. As total covered wages grow, so does the required balance in the UI Trust Fund.

For 2000, the first \$26,500 in covered earnings would be subject to UI tax. That's up from \$24,300 in 1999. The change would result solely from an increase in the average annual wage in covered employment from 1997 to 1998.

Average wages have jumped significantly. Most of the earnings are the result of the very strong state economy. About one-third of the increase last year can be attributed to increased earnings in the software industry.

Current law maintains a consistent relationship between the balance in the UI Trust Fund and total state wages. Without legislated changes, this statute would bring a shift from Schedule "A", in effect during 1999, to Schedule "B" for 2000. Average tax rates would rise from 2.28% to 2.59% of taxable wages.

Passage of Initiative 695 does not preclude this potential increase in UI taxes. Collections to the UI Trust Fund are based on a formula that anticipates fluctuations in tax rates, is imbedded in statute and precedes the passage of the initiative.

The Governor said he hopes the Legislature will address the need for a UI law change early in the 2000 session.

Department Takes Action to Speed Service at TeleCenters

By Bill Tarrow

Unemployment claims can now be filed in person at local Job Service Centers, in addition to calling the department's new Unemployment Claims TeleCenters. The approach to help unemployed workers was set up in November when the TeleCenters were overloaded with phone calls.

"Too many of our customers were having difficulty getting through to our new automated TeleCenter system," said Commissioner Carver Gayton. "While the technology is sound and the system will get faster as it is fully staffed, the difficulties were unacceptable and actions had to be taken."

The change has already made a significant dent in the workload and has substantially sped service at the TeleCenters. The department has also

temporarily redirected staff with claims processing experience, and will be training another 60 workers for the understaffed TeleCenters. However, department officials caution that it could be as late as February before improvements are complete.

Businesses that plan to layoff 50 or more workers this Winter are asked to call (360) 438-4117 for assistance. Department staff will arrange for an on-site visit to take mass applications of claims, and to provide other layoff (WARN) related services.

Gayton emphasized that the state is hitting its heaviest lay-off period of the year. The actions being taken now, he said, will ensure both employers and claimants can conduct their unemployment insurance business during this busy period, and that customers should be very pleased with the TeleCenters once fully staffed.

New Notice To Employee Poster

Along with your 2000 Tax Rate Notice, you will also receive a replacement poster entitled "Notice To Employees: Unemployment Benefits."

This poster is printed in English on one side and Spanish on the other side.

Please display the poster in an area that can be viewed by all employees.

Additional copies of this poster can be printed from the Internet at:

<http://www.wa.gov/esd/ui/uiforms/default.htm>

or call (360) 902-9360.

Oops! New Equipment Can't Work Without Your Help.

By Sharon Hitt

As the UI Division continues to upgrade equipment and automate tax processing, we're learning an important lesson – "the more you overhaul the plumbing, the easier it is to stop up the drain." This is true of our new scanning/imaging system for processing UI tax reports. While this new system automates forms processing, eliminating hand keying of tax data, it **ONLY** works when the tax report forms meet exacting standards. Here's where we need your help.

One option is to avoid all the issues surrounding paper forms by ordering our new software product, *UIFastTax*, to file both your tax and wage reports. Please e-mail us at uifreg@esd.wa.gov or call (360) 902-9636 to order *UIFastTax*.

If you have no payroll, you can file a No Payroll Report by phone. To receive a PIN number so you can file No Payroll Reports using the Employer Help Line, please call your local District Tax Office (*Telephone numbers are on the back of the blue instruction package enclosed with your tax report.) or Central Office at (360) 902-9360.

If you plan to continue filing paper forms, please review these updated requirements for hardcopy tax/wage report forms:

1. If you are still using the old agency tax/wage report form (received fourth quarter of 1998 or before), please throw them away – you must use the new tax and wage forms.
2. If you are printing wage data from your computer on blank paper we cannot scan it. You must print onto the agency report forms sent to you, and print within the fields for each data element. (*See Instructions.)
3. If you are using a form that was not provided by the agency, such as a form created by your organization or your business agent, if it is not an exact replica of the agency form it is not scannable, thus not acceptable. The Department must certify forms replicated by others prior to their use. If you are not sure whether your form has been certified, call your business agent, software provider or other forms provider and ask for a copy of the letter of certification. (*See Instructions.)
4. You may be using our form but not printing within the fields as required. Please see the first page of the instructions included in this package.
5. You may be using blue ink, or pencil, or another color ink that is not clear to the scanner. You must use **black ink** to ensure that the data can be read and correctly entered into the new system. Blue ink is creating our biggest problem.
6. Please do not FAX forms or send photocopies to us, as they are not scannable. We need originals in order to process them in the new system. We made a mistake (on the form) when we told employers they could send photocopies. We apologize.

For additional wage forms, please call your local District Tax Office or Central Office at (360) 902-9360.

It's Filing Time Again

Here are a couple of tips that will help you as you prepare your annual 940 Federal Unemployment (FUTA) tax return for filing.

Check line 15 of your state Quarterly Tax Report (EMS 5208) from Employment Security. The tax rate shown there is the only state unemployment tax rate you should use for your FUTA return.

Do not include the Employment Administration Fund rate shown on line 16 of the quarterly tax report. That rate is an offset from the full rate, not part of the regular rate.

If you did not report corporate officers for state unemployment tax purposes, you should not take the offset credit for corporate officers when filing your federal return..

The New Washington Employer Help Line

What's in it for me?

- File 'no payroll' quarterly tax reports.
- Obtain key data about your UI tax account.
- Have selected forms and/or publications faxed to you.
- Get help with your recruiting or place orders to file anticipated job openings.
- Access these and other services 24 hours a day, any day. Just dial:

(206) 340-1400 - Seattle
(253) 305-0038 - Tacoma
1-888-836-1900 - Toll Free

Employment and Wage Data

By Gary Bodeutsch

The Labor Market and Economic Analysis Branch compiles employment data by industry based on information supplied by employers on number of employees who were paid wages during the payroll period which includes the 12th day of the month (Item 11 of 5208 A).

Employers may wonder why these data are requested. After all, each employee is listed on the 5208B (Quarterly Wage Detail). The problem is that not all employees work the entire quarter and there's no way to tell by looking at the wage detail what part of the quarter they may have worked.

The data provided in Item 11 does triple duty. It is used for monthly employment by county and by industry, for statewide employment and for U.S. employment data.

Total Gross Wages (Item 12 of 5208A) is also an important economic indicator. The Bureau of Economic Analysis uses the data to estimate Personal Income for the U.S., States and Counties.

Items 9 and 10 concerning Exempt Corporate Officers are also an important part of the economy when employers have corporate officers who are not covered by Unemployment Insurance.

The data supplied in Item 9 is added to the data in Item 12 to get total wages and the data in Item 10 is added to the data in Item 11 to get total employment. In addition to wages being used for calculating personal income, wages and employment data are used to calculate the average weekly wage that in turn is used to calculate the average weekly benefit.

The bottom line is: **All the numbers provided on the Quarterly Tax Report are important.**

If you have questions regarding the use of the employment or wage data or if you want to know what employment trends are in certain industries (or need any kind of labor market information), please call the Labor Market Information Center at 1-800-215-1617 or visit our web site at www.wa.gov/esd/lmea.

Washington State Job Bank

By Sharry Wade

November 8, 1999, changes to the Washington State Job Bank web site, the local portal site for America's Job Bank, were unveiled. The site has been re-named "WorkSource" (<http://worksource.wa.gov>), though it is still accessible at the previous location. WorkSource is the name Washington State Employment and Training providers have agreed upon for a new way of operating in response to the Workforce Investment Act of 1998 (www.wa.gov/esd/1stop). The WorkSource Internet site services for businesses are available, but "in process" through December, 1999. Users of the site are encouraged to make suggestions to simplify the site or make it more useful for the business community.

Businesses must register as employers on the WorkSource site before listing job openings as a security measure for job seekers. Registration allows you to list and manage your own job announcements online, allows links to your URL or on-line resume builder and provides a wide audience of qualified applicants for your personnel needs.

The site allows copying and pasting information from word processing programs or your Internet site to expedite the job listing process. You control the length of the recruitment, the amount of information available about the requirements and necessary skills, how you are contacted to make application and whether or not the name of your company is visible to the job seeker.

The only contact information available is information you have chosen to make available. No information will ever be sold to mailing lists. Call your local Job Service or WorkSource center for more information or assistance with the registration/job listing process.

When you register, print out your registration or write the information in a safe place that is readily accessible. If you lose your password, contact the local Job Service or WorkSource center for information on password retrieval.

The site also offers links to business resources, directories and information about the local labor markets, including salary surveys. You have the ability to search a resume/talent bank to match job seekers with your openings. Resumes must have been entered into the system or updated within a 3-month period to be included in the talent bank.

The location of area Job Service and WorkSource centers are listed on the site so businesses can establish local contacts for additional services and/or information.

Because the service depends on the exchange of accurate and timely information, every effort is made to keep the resume postings and other information up to date. We depend on you doing the same with your job postings and other information posted about your company. We reserve the right to remove any job posting from the file if it contains inaccurate or inappropriate information.

1999 Occupational Employment and Wage Survey

By Charles Saibel

The 1999 Occupation and Wage Survey is now underway. If your firm receives a survey form, please fill it out and return it or contact the OES unit at (800) 876-0544 or (360) 438-4805 for other options. Your participation is especially important because your data will be used to estimate industry-wide and area-wide occupational employment and wage levels. All information you provide will remain confidential.

Survey results are used in forecasting future job openings, making business decisions, and for designing education and training programs to meet future business needs. The information is available to everyone online at <http://www.wa.gov/esd/lmea> and http://stats.bls.gov/oes/state/oes_wa.htm.

You can contact the OES unit at (800) 876-0544 or (360) 438-4805.

Vancouver Hiring Fairs

By Marie Wodaeghe

Do you have a problem finding qualified applicants? Let the State of Washington's WorkSource system assist you filling your employment needs. WorkSource is a unique partnership among public agencies, business, labor and community organizations committed to employer hiring needs. While you have many options within our system, we would like to highlight the WorkFirst program that helps move welfare recipients into self-reliance. You can receive a tax credit for hiring a client in the program and an additional tax break for hiring long term welfare clients. The Vancouver WorkFirst program holds quarterly hiring fairs at a minimal cost to the employer. Hiring fairs in the Vancouver area will be held on January 27, 2000 and again on April 27, 2000. Please contact Marie Wodaeghe for information regarding Vancouver events at #360-735-4976 or mwodaeghe@esd.wa.gov. Please contact your local WorkSource Career Development Center for information and options in filling your job openings and for the WorkFirst program in your area.

WorkSource Cowlitz/Wahkiakum

By Carmen Chase

WorkSource Cowlitz/Wahkiakum offers employers an Employer Services Cubicle in our Resource Center. In this Employer Services Center we offer interview space for recruitment needs. A personal computer is available. In this space employers will also find an Employer Services Directory which includes the following: Labor Market Information, Listing and Filling Job Orders, America's Job Bank and Internet, New Business Information, Tax Information, Programs, Training and Testing, and Major Layoff Rapid Response Information. The friendly staff at WorkSource is available to help employers with all their business needs. For more information, contact Carmen Chase-Employer Outreach at WorkSource Cowlitz/Wahkiakum at PO Box 29, 711 Vine Street, Kelso, WA 98626 (360) 578-4203.

It's On The Net

Employment Security: The Right Connection

***Visit Employment Security's
Homepage at:
www.wa.gov/esd***

The News You Need To Know About
Employment Security.

- Take a look at our special programs for business.
- Get important tax information.
- Improve your general knowledge about ES.
- find out what's going on -- look at our current publications.
- All that is at hand merely by visiting Employment Security's Home Page.

Save Your Business Money With Shared Work!

Are you anticipating or experiencing an unexpected slowdown in your business?

If your business qualifies, you can reduce by 10 to 50 percent the hours worked by permanent, full-time employees.

They will collect an equal percentage of their weekly unemployment insurance.

You reduce the chances of losing laid-off skilled workers by simply restoring the hours when business picks up again.

**For more information, call
1-800-752-2500**

*Not available during seasonal
slowdowns or for part-time employees.*